BEFORE THE POSTAL RATE COMMISSION WASHINGTON, D.C. 20268-0001

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POSTAL RATE COMMISSION OFFICE OF THE SECRETARY

POSTAL RATE AND FEE CHANGES, 2000

Docket No. R2000-1

RESPONSE OF UNITED STATES POSTAL SERVICE
TO INTERROGATORY OF
AMERICAN BANKERS ASSOCIATION AND NATIONAL ASSOCIATION OF
PRESORT MAILERS, INC. REDIRECTED FROM WITNESS MILLER
(ABA/USPS-T24-25)

The United States Postal Service hereby provides its response to the following interrogatory of American Bankers Association and National Association of Presort Mailers, Inc.: ABA&NAPM/USPS—T24-25, filed on March 17, 2000, and redirected from witness Miller.

The interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr. Chief Counsel, Ratemaking

Susan M. Duchek

475 L'Enfant Plaza West, S.W. Washington, D.C. 20260–1137 (202) 268–2990 Fax –5402 March 31, 2000

Response of United States Postal Service

to

Interrogatories of American Bankers Association & National Association of Presort
Mailers, Inc.
(Redirected from witness Miller, USPS-T-24)

ABA&NAPM/USPS-T24-25. For the 1995 through 1998 CRA's please describe for each year's CRA, all changes which were made in methodology from the immediately previous year's CRA, which changes affected First Class costs and Standard A Commercial costs.

Response:

Since First-Class and Standard A Commercial costs are affected by changes in every cost segment, please see the following in the current filing. For cost segment 3 changes, please see the testimonies of witnesses Bozzo, USPS-T-15, Degen, USPS-T-16, and Van-Ty-Smith, USPS-T-17. See the testimony of witness Baron, USPS-T-12, for modifications affecting both city and rural carrier costs, including portions of Cost Segments 6 (City Delivery, Office Activities), 7 (City Delivery, Street Activities), 10 (Rural Carriers), 12 (Motor Vehicle Service) and 20 (Other Accrued Expenses). Cost Segment 14 changes are discussed in the testimonies of witness Bradley in USPS-T-18 and witness Pickett in USPS-T-19. Witness Stevens, USPS-T-20, provides testimony affecting Cost Segment 12 (Motor Vehicle Service) and part of Cost Segment 20 (Vehicle Depreciation, 20.2). Witness Smith, USPS-T-21, provides testimony affecting depreciation costs for mail processing equipment in Cost Segment 20 (Equipment Depreciation, 20.1); updated mail processing equipment maintenance costs in Cost Segment 11 (Operating Equipment Maintenance, 11.2); updated mail processing equipment parts and supplies costs in Cost Segment 16 (Equipment, 16.3.2); and updates to facility-related costs affecting Cost Segments 11, 15, 16, 18 and 20. The testimony of witness Meehan in USPS-T-11 references these new studies and their respective witness and lists cost changes since Docket No. R97-1. Testimony in Docket No. R97-1 by Postal Service witness Alexandrovich addressed cost changes prior to 1997, as did the corresponding Summary Description LR-H-1.

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon all participants of record in this proceeding in accordance with section 12 of the Rules of Practice.

Susan M. Duchek

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